



*U.S. Department of Energy's
Office of Science*

Future Liabilities and Legacy Management (e.g. Transition of EM Mission Completion sites to SC)

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SC-31.1

June 8, 2005



- Future Liabilities: what it means to SC and where we are in the process
- Legacy Management—Transfer of EM mission completion sites from EM to SC
- Next Steps



Future Liabilities—Potential Costs

- DOE faces significant environmental liabilities outside of the current EM program—FY 2005-2025 over \$16B
 - D&D of excess and/or active contaminated facilities--50 percent of total liability
 - SC Liability ~\$3B FY 2006-2025+



Future Liabilities—What are they?

- Not within current EM baseline
- D&D of excess and currently active contaminated facilities
- Contaminated media
- Excess Nuclear and Hazardous Materials Disposition*
- Future Waste Management or Treatment Facilities
- Legacy Waste
- National Programs



Future Liabilities—Background

- FY 05 DOE requested \$5 M to establish Future Liabilities Program separate from EM
 - House and Energy Water Development Committee, *DOE should maintain these responsibilities within EM*
- Beginning in FY 06 EM is responsible to manage DOE's future liabilities program
- SC and other PSOs should work with EM to ensure that there is sufficient budget to address issue.



Future Liabilities—Where are we?

- EM FY 2006 budget request--\$1 M for planning
- SC has identified priority projects totaling \$38/\$187M TEC (Ranking Scheme Developed)
 - High Priority: \$13.5/\$40M TEC
 - Medium Priority: \$22/\$131M TEC
 - Low Priority: \$3.5/16M TEC
- SC working with EM on development of FY 2007 budget request to address SC projects



Future Liabilities—Issues

- No high level commitment or communication
- EM needs to officially open pipeline
- EM budget requests are over target—no guarantee of funds
- EM has proposed cost sharing
- Potential conflict EM baseline vs. future liabilities (e.g., SLAC)



Legacy Management—EM Mission Completion

- LBNL FY 2007
- SLAC FY 2009
- ANL FY 2010
- BNL FY 2010



Legacy Management: Approach to Transition

- Terms and Conditions (for all sites)
 - Presents roles and responsibilities for EM and SC
 - Lays out transition requirements
 - DOE Orders
 - Budget
 - EM to SC transfer of target for O&M
- Site Transition Plans
 - Unique to each site
 - Provides details on regulatory requirements, systems operations, administrative requirements, records management, etc.



Legacy Management—what happens if something goes awry

Draft Terms and Conditions:

- *EM will provide funding to SC for any unfunded activities (e.g., an EM post-completion regulatory decision) that result from EM decisions. This includes, but is not limited to, funding for any remedy modification (e.g., installation of additional monitoring wells) for sites that do not have a final Record of Decision or equivalent. Funds transfer will be limited to the period covered by the PBD.*
- *Significant remedy failures which require modification of the remedies outside of the capabilities of the SC will be coordinated with EM. EM and SC will raise the issue to the Under Secretary for resolution.*



Next Steps: Legacy Management

- Legacy Management
 - Finalize Terms and Conditions
 - EM to prepare Program Budget Document for LBNL
 - Should include O&M funds for remedies installed (current estimate ~\$1.7M)
 - LBNL Prepare Site Transition Plan



Next Steps: Future Liabilities

- Future Liabilities
- Engage SC and EM Senior management to focus on future liabilities and funding needs
 - Meeting of COO's?
 - Need commitment from EM to open pipeline
 - Need SC/PSO involvement in EM budget development and review
 - Need commitment from EM to fund